



FOR IMMEDIATE RELEASE  
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District of Arizona*

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## **OPERATION TRUTH OR CONSEQUENCES**

### ***Nationwide Bankruptcy Fraud Op Nets Phoenix Attorney and Tucson Farmers***

#### **James Joseph Everett**

On August 29, 2006, a federal grand jury in Phoenix, Ariz. returned a 34- count indictment against a Phoenix attorney, James Joseph Everett, 51, of Paradise Valley, Arizona, for False Declarations in Bankruptcy Proceedings, Bankruptcy Fraud, and Money Laundering.

The indictment alleges that, in 2002, Everett made numerous material false declarations in his Chapter 7 bankruptcy filings designed to conceal approximately \$500,000 in assets and income from the U.S. Bankruptcy Trustee. The indictment further alleges that Defendant used more than \$300,000 in concealed assets to purchase a house in Paradise Valley.

A conviction for False Declarations in Bankruptcy Proceedings and Bankruptcy Fraud carries a maximum penalty of 5 years, a \$250,000 fine or both. A conviction for Money Laundering carries a maximum penalty of 20 years, a \$500,000 fine or both. In determining an actual sentence, Judge Teilborg will consult the U.S. Sentencing Guidelines, which provide appropriate sentencing ranges. The judge, however, is not bound by those guidelines in determining a sentence.

The investigation preceding the indictment was conducted the United States Trustee's Office and the Internal Revenue Service Criminal Investigation Division. The prosecution is being handled by John R. Lopez IV, Assistant U.S. Attorney, District of Arizona, Phoenix, Ariz.

(CASE NUMBER: CR-06-0795-PHX-JAT)

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#### **Sergio Renteria, Sandra Renteria, Kayla Taylor**

In August, 2006 a federal grand jury in Tucson, Ariz. returned an 18-count indictment against Sergio Renteria of Willcox, Ariz., his wife, Sandra Renteria, also of Willcox, and their daughter, Kayla Taylor, for conspiring to impede and impair the functions of the Farm Service Agency of the U.S. Department of Agriculture, for illegally disposing of property pledged as security to the Farm Service Agency, and for bankruptcy fraud. Sergio Renteria and Sandra Renteria were arrested August 1 in Willcox by Special Agents of the Office of the Inspector General of the U.S. Department of Agriculture and Deputies of the United States Marshals Service. Kayla Taylor was arrested the same day in Phoenix. The Farm Service Agency is part of the U.S. Department of Agriculture and provides loans to farmers.

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The indictment alleges that Sergio Renteria, Sandra Renteria and Kayla Taylor obtained loans totaling over \$800,000 from the Farm Service Agency. The indictment alleges that the Renterias failed to make payments on the loans and fraudulently sold crops and farm equipment that had been pledged as security for the loans. In addition, the indictment alleges that in connection with a loan, Kayla Taylor falsely told the Farm Service Agency that the loan to her would be used for farm operations, when in fact she used some of the loan proceeds to purchase two Mercedes Benz cars. The indictment further alleges that after Sergio Renteria and Sandra Renteria filed for bankruptcy, they improperly concealed assets from the Bankruptcy Court.

Each of the counts in the indictment, except making a false statement in connection with a loan, carries a maximum penalty of five years in prison, a \$250,000 fine, or both. The false statement in connection with a loan charge carries a maximum penalty of 30 years in prison, a \$1,000,000 fine, or both. In determining an actual sentence, the sentencing judge will consult the U.S. Sentencing Guidelines, which provide appropriate sentencing ranges. The judge, however, is not bound by those guidelines in determining a sentence.

The investigation preceding the indictment was conducted by the Office of the Inspector General of the United States Department of Agriculture. The prosecution is being handled by the United States Attorney's Office in Tucson, Arizona.

(CASE NUMBER: CR-06-1275-TUC)

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An indictment is simply the method by which a person is charged with criminal activity and raises no inference of guilt. An individual is presumed innocent until competent evidence is presented to a jury that establishes guilt beyond a reasonable doubt.

RELEASE NUMBER: 2006-213(Everett-Renteria-Truth or Consequences)

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